

A Study on the Socio-Economic Status of Small Business Women Entrepreneurs in Rural Areas of Thiruvarur District

T. Vijayalakshmi

Assistant Professor, S.T.E.T Women's College (A)

ABSTRACT:

The major hindrance for the women entrepreneur is their family alone. They have to take responsibility for their household activities and elderly people and along with the business. The responsibility of taking care of the household is holding back the full capacity to do the business in a much better way than now. If these problems are rectified then it will be a revolutionary empowerment of women entrepreneur in our country.

Keywords: Women entrepreneur, business, capital, marketing, motivational factors

INTRODUCTION

Women entrepreneurs and their increasing presence in India have significantly influenced the social and economic demographics of the country. The participation of women in the labour force has helped millions of families to pull out of poverty and has led to job creation. Women are well known for their leadership skills and hence dominate in new-age industries such as Electronic Manufacturing, where more than 50% of the employees are women because of their high-precision work and better productivity levels. This attitude towards work and commendable business skills have also emphasized the importance of women in the modern workforce.

In the coming decades, India is set to witness a major shift, with women dominating the workforce as well as shaping and enhancing the future of the country. It is estimated that over 30 million more women- owned businesses are expected to provide 150–170 million jobs by 2030. This could be a game changer and help the economic outlook look brighter than ever.

STATEMENT OF THE PROBLEM :

The researcher studied the Socio-economic status of small business women Entrepreneurs in the rural areas of Thiruvarur district. This study analyses various aspects of the lives of women Entrepreneurs including the educational qualification, financial management , size of the capital and source of capital to start a business, awareness about the Government Schemes and policies to encourage women entrepreneurs, financial security , income and expenditure and savings pattern , social and economic status of the respondents are taken into consideration.

OBJECTIVES OF THE STUDY:

- To analyze the importance of small business in the development of women in rural areas of Thiruvarur.
- To study the areas / fields covered by the women entrepreneurs.
- To analyze the participation of women in income generation.
- To study the contribution of women Entrepreneurs in employment generation in Thiruvarur area.
- To study the financial obstacles faced by women entrepreneur in the starting phase of the enterprise.
- To analyze the level of awareness about Government Schemes and policies to support women Entrepreneurs.

METHODS AND MATERIALS:

The study is based on primary data. The methodology used for this study is direct personal interview. Each and every respondent was contacted directly to collect the required information. The related concepts and literature review are collected from secondary sources.

SAMPLE SIZE:

Sample Size for this study is 100. Data are collected from 100 women Entrepreneurs throughout the district using convenience sampling method. The sample respondents include Tailors, Make-up artists, hotel business entrepreneurs, clothing retailers, Handicraft and Gift product manufacturers, Petty shop owners and mess owners.

PERIOD OF THE STUDY:

It took exactly 3 months from December 2022 to February 2023 to complete the research.

LIMITATIONS OF THE STUDY:

- The researcher is not able to reach the respondents from the interior areas of the district.
- Since most of the respondents run micro level business, the size of capital is unsure.
- The researcher is not able to track their financial activities such as loans, savings and investment because they don't keep any proper record for that.

LITERATURE REVIEW:

Darrene, Harpel and Mayer performed a study on finding the relationship between elements of human capital and self employment among women. The study showed that self employed women differ on most human capital variable as compared to the salary and wage earning women and the fact that the education attainment level is faster for self employed women than that for other working women. The participation levels of self employed women are found to be less than of self employed men in industries like communication, transportation, wholesale trade, manufacturing and construction.

Singh, Surendar Pal in this study identifies the reasons and influencing factors behind entry of women in entrepreneurship. He mentioned the obstacles in the growth of women entrepreneurship are mainly lack of interaction with successful entrepreneurs, social un-acceptance as women entrepreneurs, family responsibility, gender discrimination missing network, low priority given by bankers to provide loan to

women entrepreneurs. He suggested the remedial measures like promoting micro enterprises, unlocking institutional framework, projecting and pulling to grow and support the winners etc.

Krishnamoorthy and R Balasubramani identified the important women entrepreneurial motivation factors and its impact on entrepreneurial success. The study identified ambition, skills and knowledge, family support, market opportunities, independence, government subsidy and satisfaction are the important entrepreneurial motivational factors. The study also concluded that ambition knowledge and skill independence dimensions of entrepreneurial motivational has significant impact on entrepreneurial success.

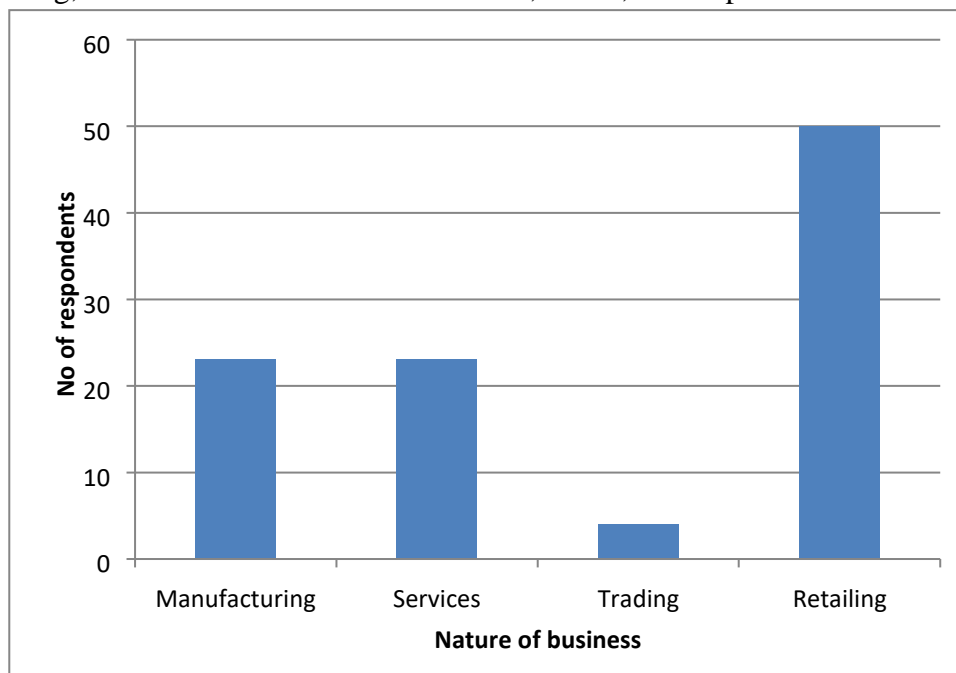
Palaniappan C. S. , Ramanigopal, A. Mani in their article analyzed that women have been successful in breaking their barriers within the limits of their homes by entering into varied kinds of professionals and services. Skill, knowledge and adaptability in business are the main reasons for women to emerge into business ventures.

RESULTS AND DISCUSSION:

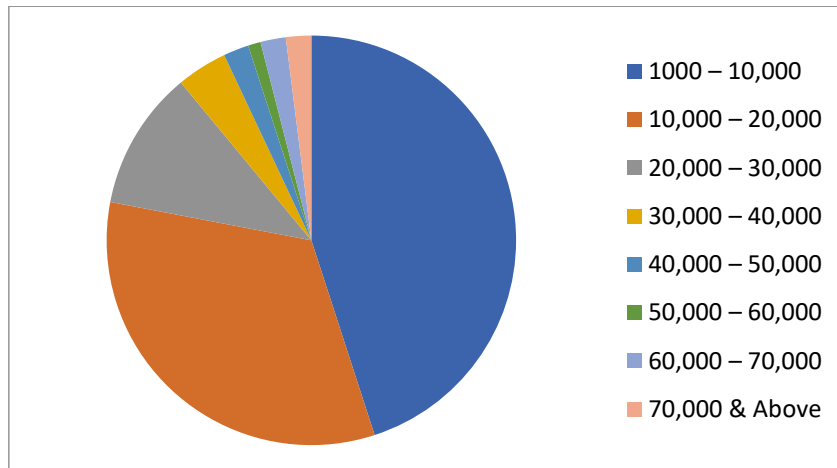
Age Group: 40% of the respondents belong to the age group of 20 to 30 years.28% of the respondents are from the age group between 31 to 40 years. Respondents under age group of 41 to 50 years constitute 21% of the total. Remaining 9% of the sample are from the t he age groups between 51 to 70 years old .

Educational Qualification: Majority of 25% of the respondents are undergraduates. 23% of the respondents are H.Sc completed and 24% of the respondents are SSLC passed .Only 5% of the respondents are post graduates while 3% of the respondents have other qualifications.

Nature of business : Majority of 50% of the respondents are engaged in Retailing , 23% engaged in Manufacturing, , 23% of the respondents are engaged in Services business and only 4% of the respondents are engaged in Trading. The major fields covered by the women Entrepreneurs are Tailoring, Clothing, Service business such as Mehendi , Mess , Makeup &E- service centers.



Monthly income of the respondents: 45% of the respondents earn Rs1000- 10,000 as monthly income, 33% of the respondents earn Rs 10,000 – 20,000 , 11% of the respondents earn Rs20,000 – 30,000 , 4% of the respondents earn Rs 30,000 – 40,000 , 2% of the respondents earn Rs 40,000 – 50,000 & 1% of the respondents earn Rs 50,000 – 60,000 & 2% of the respondents earn above Rs 70,000.



Source of capital: 56% of the respondents used their own source of capital , 33% of the respondents used borrowed capital, 4% of the respondents used government schemes and 7% of the respondents used bank loans. This table reveals that the Lack of awareness about the government schemes and policies to women Entrepreneurs among the rural women.

Professional Training : Majority of 46% of the respondents are professionally trained while 54% are not. The major reason for this could be the immobility of women Entrepreneurs and non-availability of professional courses in rural areas of the district.

Major problems for the respondents : Majority of 37% of the respondents are struggled with staring capital whereas 15% of the respondents are struggling with working capital, dealing with customers have been the major issue for 4% of the respondents, 24% of the respondents have been facing other miscellaneous problems and 20% of the respondents stated that they do not face any problem.

Influencing factors to start a business:

S.No	Factors	No. of respondents
01	Family Situation	52
02	Unemployment	4
03	Empowerment	21
04	Encouragement	9
05	Others	14

Total	100
-------	-----

It is inferred that Majority of the 52% are started a business in order to manage the household's financial need, 21% of the women wanted to be empowered and 9% of the respondents are encouraged to start a business, Unemployment condition pushed towards 4% of the respondents to finance themselves through a business.

Result of Hypothesis testing:

There is low degree of positive correlation between education and income of the respondents.

(Value of $r = 0.34$)

FINDINGS

- Lack of proper Education is a major hindrance for the women entrepreneurs in rural areas.
- Most of the women Entrepreneurs are unaware of the government schemes and policies initiated by the state and central government of our country.
- Only few entrepreneurs are using modern marketing methods to market their product or service. Majority of the respondents use traditional marketing ways.
- Most of the entrepreneurs choose to be retailers rather than the manufacturer.
- The networking and communication skill of the respondents are very poor.

FACTS:

- The monthly income of 45% of the respondents is less than Rs.10,000.
- The majority of 73% of the respondents live in their own house.
- The majority of the 82% of the respondents do not own any financial products such as insurance.
- 63% of the respondents have started their business in the decade of 2011-2020.
- 50% of the respondents are engaged in retailing business.
- The starting capital is between Rs.1000 – Rs.30,000 for 90% of the respondents.
- 56% of the respondents used their own source of capital to start the business.
- Majority of 51% of the respondents use traditional marketing ways.
- 54% of respondents are not trained professionally in their respective areas of business.
- Family's financial situation is the major factor to start a small business for 52% of the respondents.

SUGGESTIONS:

Encouragement and support from the family, society, and the government are the two most important things that motivate women entrepreneurs. There are a number of schemes and programs which are started by the government to boost the morale of and provide financing to women entrepreneurs.

- Facilitating financial support to women and providing loans at low or zero interest, to motivate women entrepreneurs.

- Government can run training programs for women, at nominal or no fees to train them regarding the operation of machinery and other equipments.
- Conferences, workshops, seminars, and webinars can be organized for encouraging women to enrich their financial independence through small business.
- Forums must be established where prospective women entrepreneurs can talk and chat with successful entrepreneurs and discuss their queries and share knowledge.
- Certain policies and rules are required to be made for women's empowerment.
- Help desk, websites and support forums can help in getting instant help.
- Encouraging home-based businesses, so that women can effectively coordinate with household and entrepreneurial responsibilities.
- The loan procedure by banks and other governmental organizations needs to be simplified.

CONCLUSION:

As per the research, most of the women entrepreneurs in Thiruvarur district are either retailers or doing any services oriented business. Very few of them are engaged in manufacturing and trading. This shows that women entrepreneurs in the rural areas of Thiruvarur district are less likely to take huge risks. The major reason for this could be lack of proper education, lack of knowledge on particular field, lack of awareness and also financial issues such as starting capital and working capital. Even though doing a business not all women Entrepreneurs are in a good economic condition moreover most of them are the breadwinner of their family. The major hindrance for the women entrepreneur is their family alone. They have to take responsibility for their household activities and elderly people and along with the business. The responsibility of taking care of the household is holding back the full capacity to do the business in a much better way than now. If these problems are rectified then it will be a revolutionary empowerment of women entrepreneur in our country.

References:

1. Darrene, Harpel and Mayer, The Human Capital Theory (2008) ; Penguin Random House.
2. Krishnamoorthy and R Balasubramani, Dimensions of Women Entrepreneurship (April 2014) HarperCollins Publishers India
3. Palaniappan, C. S. Ramanigopal, A. Mani, Women Empowerment through Entrepreneurship (19 March 2012); Harper Collins Publishers India.
4. Singh, Surender Pal, Women Entrepreneurship (2008) ; Arihant Books.